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Attorneys for Defendant
QUIXTAR INC.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

JEFF POKORNY, LARRY BLENN
and KENNETH BUSIERE on behalf of
themselves and those similarly situated,

Plaintiffs,

v.

QUIXTAR INC.,

Defendant.

Case No. C 07-00201 SC

**DECLARATION OF RAY
ALEXANDER IN SUPPORT OF
JOINT MOTION FOR FINAL
APPROVAL OF SETTLEMENT,
ADOPTING PROPOSAL FOR
DISTRIBUTION OF EXCESS,
ADOPTING PROPOSED
CONSENT JUDGMENT, AND
DISMISSAL OF ALL CLAIMS
WITH PREJUDICE**

Date: November 16, 2012
Time: 10:00 a.m.
Court: 1, 17th Floor
Judge: Honorable Samuel Conti

1 I, RAY ALEXANDER, declare as follows:

2 1. I am the Director of Strategic Planning for Amway Corp. I have served in this
3 position since August 2010. Prior to that, I held the position of Director of Transformation, from
4 March 2008 to August 2010, and before that I was Director of Marketing, a position that I held
5 since 2006.

6 2. This is my third Declaration submitted to the Court in connection with the
7 proposed settlement of this action. My first Declaration was filed on April 29, 2011. (Dkt. No.
8 165.) My second Declaration was filed on October 18, 2011. (Dkt. No. 205.)

9 **I. SETTLEMENT CLASS DATA**

10 3. Following the Court's February 21, 2012, Order granting preliminary approval of
11 the settlement, Quixtar Inc. worked with its counsel and with Rust Consulting to collect the data
12 necessary to provide notice to class members. During the course of that effort, Quixtar
13 determined that 2,996,557 IBOs met the criteria for membership in the settlement class as defined
14 in the Court's February 21, 2012 Order.

15 4. Based on my review of Amway records, I estimate that approximately 336,621
16 members of the settlement class are current IBOs. Thus, 2,659,936 members of the settlement
17 class are former IBOs.


18 **II. DISTRIBUTION OF UNCLAIMED PRODUCT**

19 5. I understand that approximately \$17.3 million of the \$21.0 product credit fund
20 remains unclaimed by class members. I further understand that, under the terms of the Amended
21 Settlement Agreement, unclaimed portions of the product credit fund may be distributed for the
22 benefit of class members who are former IBOs.

23 6. To distribute the unclaimed product, Quixtar proposes to take the following steps.
24 First, Quixtar will increase the value of product available to class members. Currently, each class
25 member eligible to receive a portion of the product credit fund may receive a single product
26 bundle (chosen from 12 different bundles composed of a diverse range of products) worth
27 approximately \$75 retail. Quixtar proposes to increase the value of the product bundles selected
28 by eligible class members to approximately \$150 retail.

8. Third, if there is still unclaimed product credit remaining after these steps are implemented and after class members are provided a second opportunity to submit claims on the product credit fund, Quixtar shall distribute any remaining product to product credit fund claimants such that the entire \$21 million value of the product credit fund is distributed to those claimants. This additional product shall consist of items that were featured in the product bundle chosen by the claimant.

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Ray Alexander